

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter, on the Commission's own motion,	)	
regarding the regulatory reviews, revisions,	)	
determinations, and/or approvals necessary for	)	Case No. U-21685
UPPER MICHIGAN ENERGY RESOURCES	)	
CORPORATION to fully comply with	)	
Public Act 295 of 2008, as amended.	)	
	)	

At the October 1, 2026 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair
Hon. Katherine L. Peretick, Commissioner
Hon. Shaquila Myers, Commissioner

ORDER

Procedural History

Public Act 295 of 2008 (Act 295), as amended, requires all providers of electric and gas service in this state to establish energy waste reduction (EWR) programs by filing EWR plans with the Commission. MCL 460.1071. EWR plans filed by rate-regulated providers are subject to Commission approval and enforcement. MCL 460.1073. Biennial EWR plans are required from investor-owned utilities (IOUs) and rate-regulated cooperatives (RRCs). MCL 460.1097(1) provides that, “[b]y a time determined by the commission, each provider shall submit to the commission an annual report that provides information relating to the actions taken by the provider to comply with the energy waste reduction standards.” Public Act 229 of 2023 (Act 229),

effective February 13, 2024, amended MCL 460.1073(3) to extend the filing of EWR plans to every four years starting in 2025.

On November 7, 2024, the Commission issued an order in Case Nos. U-21679 *et al.* (November 7 order) establishing the due date for Upper Michigan Energy Resources Corporation (UMERC) and other IOUs and RRCs to file a biennial EWR plan for 2026-2027. The November 7 order also required a provider “electing to use the state-appointed EWR program administrator (Efficiency United) [to] file a copy of its Notification of Intent to Elect Efficiency United (Notice of Intent) in lieu of an EWR plan in its assigned docket.” November 7 order, p. 2. On November 15, 2024, an erratum to the November 7 order was issued to address an incorrect filing description and direct UMEREC to file its EWR plan for 2026-2029 in this docket no later than July 1, 2025. Erratum, Corrected Exhibit A.

On June 26, 2025, UMEREC filed an application in the instant case, with supporting testimony and exhibits, requesting approval of the company’s Notice of Intent for 2026-2027 and permission to subsequently amend its application to attach tariff sheets with new increased surcharges designed to recover the alternative compliance payment.

A prehearing conference was held on August 7, 2025, before Administrative Law Judge Lesley C. Fairrow (ALJ). At the prehearing conference, the ALJ granted intervenor status to Tilden Mining Company L.C. (Tilden). UMEREC and the Commission Staff (Staff) also participated in the proceeding.

On September 18, 2025, the Staff filed direct testimony from Mr. Fawzon Tiwana.

On October 17, 2025, UMEREC filed an amended application, with supporting testimony and exhibits, reiterating the company’s request for approval of its previously filed Notice of Intent for

2026-2027 and proposing new EWR surcharges associated with cost recovery of the alternative compliance payments.

On January 22, 2026, Tilden filed direct testimony and UMEREC filed supplemental direct testimony. On February 19, 2026, UMEREC and the Staff filed rebuttal testimony.

On February 23, 2026, Tilden filed a motion to strike portions of the direct testimony, rebuttal testimony, and all of the exhibits of the Staff's witness Mr. Tiwana. The Staff filed a response to the motion on February 27, 2026. An evidentiary hearing was held before the ALJ on March 3, 2026, during which the motion was denied, Mr. Tiwana was cross-examined, and testimony of the remaining witnesses and exhibits were bound into the record.

On March 31, 2026, initial briefs were filed by UMEREC, the Staff, and Tilden. Reply briefs were filed by UMEREC, the Staff, and Tilden on April 28, 2026. The ALJ issued a Proposal for Decision (PFD) in this matter on May 28, 2026. Tilden filed exceptions to the PFD on June 18, 2026, and on July 2, 2026, UMEREC filed replies to exceptions.

The record in this matter consists of 134 pages of transcript and 11 exhibits admitted into evidence.

Proposal for Decision

The ALJ provided a thorough overview of the record on pages 3-17 of the PFD, which will not be repeated here. The ALJ found no dispute that UMEREC timely filed its Notice of Intent for 2026-2027, and thus, found that UMEREC complied with the mandate to implement EWR programs in its service territory. PFD, p. 17. However, the ALJ identified three contested issues in this matter: (1) implementation of a quadrennial plan for 2026-2029, (2) UMEREC's alternative compliance payment pricing portfolio, and (3) UMEREC's unspent alternative compliance payments. *Id.*, pp. 17-23.

The Commission agrees with the ALJ's recommendation on the uncontested issue, finding that the company filed its Notice of Intent within the framework of the November 7 order. *See, id.*, pp. 17, 23.

The contested issues, objected to in exceptions, are discussed in detail below.

Discussion

1. Implementation of a Quadrennial Plan for 2026-2029

Staff contended that while UMERC appropriately filed its Notice of Intent:

this is a 4-year plan as directed by the Commission, [so] if UMERC intends to use Efficiency United to administer its EWR program for 2028/2029 plan year, the Company should file its renewal with the Commission by May 1, 2026, or file an amended plan indicating how it intends to meet the legislative requirements for program years [2028-2029].

Staff's initial brief, p. 7; *see also*, 2 Tr 108. *See*, Erratum, Corrected Exhibit A, which directed UMERC to file an EWR plan in this docket for 2026-2029.

UMERC argued that it would be impossible to comply with the Staff's May 1, 2026 proposed filing deadline when the Commission will not be issuing an order on this matter until well after that date. UMERC's reply brief, pp. 2-3. As an alternative, UMERC asserted that it would be more reasonable to expect the company to determine whether it will again select the state administrator or decide to self-implement an EWR plan for the 2028-2029 period within six months of a final decision in this case. *Id.*, p. 3.

Tilden argued that this matter is properly proceeding as a two-year plan, noting that Act 295; the November 7, 2024 order; the February 27, 2025 order in Case No. U-21654 (February 27 order); UMERC's application in this docket; and the Commission's Notice of Hearing in this proceeding all reference to a two-year EWR plan. Tilden's reply brief, pp. 8-9 (citing

MCL 460.1073(3); November 7 order, p. 2; February 27 order, p. 7; UMERCE's application, p. 1; Notice of Hearing in Case No. U-21685).

The ALJ found that the Commission intended for UMERCE to provide a four-year plan consistent with the erratum and in accordance with Act 229. PFD, p. 18. The ALJ also found reasonable UMERCE's request for six months following a final decision in this case to determine whether it will again select the state administrator or decide to self-implement an EWR plan for the 2028-2029 period. *Id.*

Tilden excepts to the ALJ's findings, arguing that, even if the Commission intended for the EWR plan to be a four-year plan, the case was processed as a two-year EWR plan. Tilden's exceptions, p. 29. Tilden disagrees with the ALJ's interpretation of the erratum and Act 229, asserting that "[i]t is unlikely that the Commission had intended to convert all EWR plans for all investor-owned utilities and rate-regulated cooperatives to 4-year plans so surreptitiously[, and that u]nder Act 229, only standalone natural gas utilities are subject to statutory 4-year EWR plan reviews by the Commission." *Id.*, p. 30.

No replies to exceptions were filed on this issue.

The Commission has reviewed the record and the parties' arguments and respectfully declines to adopt the ALJ's findings on this issue. *See*, PFD, p. 18. While the erratum did direct UMERCE to file a 2025 Plan for planning years 2026-2029, UMERCE did not comply and filed for its EWR plan for 2026-2027. Therefore, the Commission is reviewing the EWR plan that UMERCE filed that is applicable to planning years 2026-2027. As Tilden correctly notes, the provisions of Act 229 specify that the requirements relating to quadrennial EWR plans only apply to natural gas utilities whose rates are regulated by the Commission. *Id.*; *see also*, MCL 460.1073(3). For electric utilities whose rates are regulated by the Commission (including those IOUs, like

UMERC, who provide both electric and natural gas services), the statute envisions that future EWR plans be tied to the utilities' integrated resource plans (IRPs), with EWR plans to be filed "not less than 8 months after receiving a final order on an [IRP] unless otherwise authorized by the commission." MCL 460.1073(3). Notably, the phrase "unless otherwise authorized by the commission" allows flexibility in directing when utilities file EWR plans and the Commission notes that because IRPs are only required to be filed every five years, directing a four-year EWR plan filing timeline is well within the timeframe contemplated by the statute.

The Staff did not file replies to Tilden's exceptions on this issue and UMERB only requested that the Commission "affirm the ALJ's finding that UMERB's request for [six] months to determine whether the Company will again elect pursuant to Section 91 to use the Administrator or decide to self-implement its EWR plan for 2028/2029 is reasonable." UMERB's replies to exceptions, p. 4.

At this point, UMERB has yet to file its first IRP since the enactment of Act 229, and a decision on whether to continue to elect to use Efficiency United to administer its EWR programs will need to be made prior to the statutory timelines associated with IRP proceedings. On this basis, then, the Commission finds UMERB's agreement to file its next Notice of Intent or application for self-implementation for 2028-2029 within six months of the date this order to be reasonable.

2. Alternative Compliance Payment Pricing Portfolio

The Staff presented Exhibit S-1, which provided Efficiency United's summary of the EWR plan for UMERB that outlines the EWR program requirements, program offerings, and the costs associated with implementation of the programs as established through the February 27 order.

2 Tr 103. The Staff recommended that the Commission approve the costs presented in

Exhibit S-1. 2 Tr 108. Recognizing that Exhibit S-1 reflects proposed annual electric costs of \$3,371,896 for 2026-2027 EWR programming that were higher than UMERC's budgeted spend from 2025, the Staff asserted that the higher costs were due to the changes associated with Act 229 and the framework established in the February 27 order. 2 Tr 106. The Staff also noted that Exhibit S-1 reflects proposed annual gas costs of \$151,971.09 for 2026-2027 EWR programming, which was \$298 less than UMERC's budgeted spend from 2025. 2 Tr 106; Staff's initial brief, p. 11.

UMERC presented Exhibits A-1 through A-4 and Exhibit A-6, which set out proposed electric and gas EWR cost surcharges for the company to recover from its customers. Exhibit A-1 outlines the alternative compliance payments as proposed by the Staff in Exhibit S-1. 2 Tr 54, 66-67, 71. UMERC noted that the proposed "gas EWR surcharges set forth in Exhibit A-4 are uncontested, and the electric surcharges set forth in Exhibit A-6 are designed to address Tilden's rate design concerns." UMERC's initial brief, p. 7, n. 2.

Tilden contended that the Commission should reject the EWR plan for UMERC, arguing that the plan was not reasonable, prudent, or lawful. Tilden's reply brief, p. 1. Tilden argued that the EWR plan only provided a "budget, a savings goal, and a list of programs[, and] Staff provide[d] no details about the programs, what energy efficiency measures will be offered by the programs, or how the programs are expected to achieve the savings targets." 2 Tr 80. Tilden also raised concerns with the following:

- UMERC has an electric savings goal equal to 1.5% of the prior year's sales. This is about 10,707,000 kWh (kilowatt-hour[s]) in the 2026-2027 plan year. However, the UMERC Electric Model budget is targeting an excessive 12,336,272 kWh of savings.
- The proposed UMERC Electric Model budget does not satisfy low-income program funding requirements.

- UMERC’s proposed electric EWR surcharges do not account for unspent funds.
- The UMERC Electric Model budget and plan include the cost of pilot programs but no description of what the pilot programs would entail.
- UMERC’s EWR surcharges are incorrectly calculated given that they do not satisfy statutory requirements.

2 Tr 83. Further, Tilden asserted that the proposed EWR programs for UMERC were “merely a standardized list of vague programs” and not tailored to UMERC’s service territory and customer mix which, Tilden argued, does not comply with the Commission’s directives and EWR framework established in the February 27 order. Tilden’s initial brief, pp. 12-13.

The ALJ recommended that the Commission adopt the Pricing Portfolio presented in Exhibit S-1 and establish 2026-2027 alternative compliance payments based on Exhibit S-1 as outlined by the Staff and UMERC’s amended application. PFD, p. 21. The ALJ found that the substance of the EWR plan for UMERC complied with Act 229 and the Commission’s approved framework under the February 27 order. PFD, pp. 21-22. The ALJ further found that:

[t]he evidence in this matter demonstrates that the costs for the proposed program are aligned with, or less than, other EWR programs offered by utility providers independently administering their own program, and there is sufficient evidence to accept that the plan, as proposed, is reasonable and prudent. Should the program’s actual expenses be deemed unreasonable or imprudent in the reconciliation of this plan, then greater scrutiny of future plans may be warranted; but there is no evidentiary basis on this record for Tilden’s pre-emptive recommendations.

Id., p. 22.

Tilden excepts to the ALJ’s findings, arguing that the ALJ recommended approval of an EWR plan that was fundamentally flawed and not in compliance with the Commission’s EWR framework. Tilden’s exceptions, pp. 12-13. Tilden asserts that the ALJ:

misconstrues the role of other parties and misplaces the burden of proof. This case is a contested case proceeding and the proponent of this EWR plan for UMERC has the burden of demonstrating that the EWR plan and associated costs are reasonable

and prudent. It is not the role of intervenors to subpoena witnesses necessary to support the proposed plan.

Tilden's exceptions, p. 15. Tilden also argues that, "if the proposed plan has not been demonstrated by the proponent of that plan to be a reasonable and prudent plan, then the plan cannot be approved." *Id.*, p. 16. Continuing, Tilden asserts that "[a] plan is not an approvable plan simply because there is no alternative plan[, and i]t is not the role of intervenors to craft an approvable plan for UMERC." *Id.* Further, Tilden avers that the ALJ did not address its arguments regarding excessive EWR savings target, non-compliant low-income requirements, unreasonable education and pilot programs, and a standardized list of EWR programming. *Id.*, pp. 16-24. If the Commission approves an EWR plan for UMERC in this case, Tilden contends that the Commission should adopt surcharges that collect revenues from each rate class consistent with the approved program spend for each rate class as required by MCL 460.1091(5) and then allocate approved low-income program spending based on each class's share of total revenues as recommended by Tilden's witness James A. Leyko and outlined in Exhibit TIL-3. *Id.*, p. 26.

In response, UMERC requests that the Commission authorize the company to increase its electric and gas EWR surcharges to recover from its customers the authorized alternative payments to Efficiency United as required by MCL 460.1091(4) and approve the surcharges prepared and sponsored by the company. UMERC's replies to exceptions, pp. 1-2. If the Commission adopts Tilden's recommendation to design electric surcharges on a cost-to-class percentage of spending basis, UMERC provides that the Commission should rely on and approve UMERC's proposed Exhibit A-6 as the electric EWR surcharges. *Id.*, p. 2.

The Commission has reviewed the record and the parties' arguments on this issue and agrees with the ALJ's recommendation to adopt the Pricing Portfolio presented in Exhibit S-1 and to establish 2026-2027 alternative compliance payments based on Exhibit S-1 as outlined by the Staff

and UMERC's amended application. *See*, PFD, pp. 21-22. Accordingly, the Commission adopts the ALJ's findings and conclusions on this issue. The Commission agrees with the ALJ that the evidence on the record in this case shows "that the costs for the proposed program are aligned with, or less than, other EWR programs offered by utility providers independently administering their own program, and there is sufficient evidence to accept that the plan, as proposed, is reasonable and prudent." *Id.*, p. 22.

The Commission recognizes that prior to the issuance of this order, UMERC did not have an approved EWR plan for 2026 in place yet to authorize increased funding to Efficiency United to work towards the higher EWR targets enacted in Act 229, which resulted in UMERC paying Efficiency United at the previously approved 2025 levels. The Commission understands that this may result in performance issues relative to UMERC meeting the higher EWR targets enacted in Act 229 for 2026. Because UMERC was paying Efficiency United at the previously approved 2025 levels while waiting for the issuance of this order, the Commission directs UMERC to reimburse Efficiency United for the difference in amount between the approved 2025 levels and the amount approved in this order within 30 days of the date of this order and directs the Staff to work with the EWR Program Administrator, Efficiency United, to strive to meet the higher 2026 goals with the time remaining in the calendar year.

3. Unspent Alternative Compliance Payments

UMERC, the Staff, and Tilden agreed that the unspent EWR payment amounts that accrue should be used by Efficiency United to reduce the alternative compliance payments for purposes of reducing EWR surcharges. 2 Tr 63-64, 86, 112.

Tilden recommended that the EWR surcharge for 2026-2027 be adjusted as part of the plan approved in this case based on existing unspent funds from 2025. 2 Tr 86-87.

The Staff disagreed with Tilden’s recommendation, explaining that the amount of unspent funds from 2025 cannot be verified until the plan year has ended. Staff’s reply brief, p. 5. The Staff recommended that any adjustments and carryover of unspent funds be addressed through reconciliation using audited balances rather than using prospective amounts based on preliminary planning snapshots. Staff’s initial brief, p. 13. As a result, the Staff explained that, “[w]hen [UMERC’s] two-year plan has concluded and auditing is complete, the[unspent] funds should be made available to be rolled forward to help pay for the proposed UMERCElectric Model budget.”

Id. Continuing, the Staff provided that:

[a]s stated in rebuttal testimony, “Staff agrees that unspent funds should be addressed consistent with [MCL 460.1091(6)] and verified that unspent funds can affect future requirements.” (2 TR 112.) However, the amount of unspent funds from 2025 cannot be verified until the plan year has ended. Thus, the amount of unspent funds available at the time of the plan case development is incorporated into the planned budget amount to ensure any remaining funds remain available for expenditure the following year. The 2026 plan for UMERCElectric was prepared in early 2025. (Exhibit A-5, p 9.) The actual amount of unspent funds remains unknown until the end of the plan year. The amount of unspent funds is then audited and incorporated into the budget for the following plan year. Staff recommends that the ALJ and Commission find that Efficiency United’s electric EWR unspent funds will be used to offset the program costs for the year following the auditing of those costs.

Staff’s reply brief, p. 5 (footnote omitted).

UMERCElectric appreciated the “Staff’s agreement to apply unspent [Efficiency United] payment amounts accrued in a year to reduce the alternative compliance payments for [the] future year but believes the reconciliation/audit should be done annually to be consistent with the intent of the law and reflective of the Commission’s Framework regarding annual adjustments.” UMERCElectric’s reply brief, pp. 3-4 (footnote omitted). According to UMERCElectric, the Staff appeared to recommend that the reconciliation of unspent funds be done on a biannual rather than annual basis when it provided that, ““when the *two-year plan has concluded* and auditing is complete, these funds should be

made available to be rolled forward to help pay for the proposed UMERC Electric Model budget.” UMERC’s reply brief, p. 3 (emphasis in original) (quoting Staff’s initial brief, p. 13). However, UMERC asserted that the Staff’s biannual reconciliation recommendation should be rejected as inconsistent with the annual EWR reconciliation required by MCL 460.1074(1) and inconsistent with the intent of the Commission’s adopted framework in the February 27 order that called for non-biennial year review and annual adjustment of the alternative payments to the state administrator. UMERC’s reply brief, p. 3 (citing Exhibit S-2 of the February 27 order, p. 2).

The ALJ agreed with UMERC and the Staff, in part, and recommended that the Commission find that any unspent payment amounts accrued in a year be used by the EWR Program Administrator to reduce the alternative compliance payments for the following year based on an annual reconciliation. PFD, p. 23.

In exceptions, Tilden notes that the ALJ’s recommendation for unspent funds to be used to reduce alternative compliance payments for the following year appears to indicate that this should occur as part of the EWR reconciliation process. Tilden’s exceptions, p. 27. However, Tilden argues that:

EWR surcharges are being set in this EWR plan case. The surcharges for 2026 and 2027 should reflect unspent funds through the end of 2025. Thus far, EWR reconciliation cases have consisted of an accounting that required payments were made by UMERC to the EWR administrator and shows any over- or under-collections by rate. There [is] no surcharge information presented in EWR reconciliation cases.

Further, even if surcharges could be adjusted in EWR reconciliation cases, UMERC does not have access to year-end unspent funds data to incorporate into its reconciliation filings. The year-end unspent funds information is known by the EWR administrator. An examination of UMERC’s pending 2025 EWR reconciliation application filed in [Commission] Case No. U-22015 shows no surcharge information, nor any information regarding year-end 2025 unspent funds.

Id., pp. 27-28.

UMERC disagrees with Tilden's assertion, noting that the Commission approved new EWR surcharges for the company in its 2023 and 2024 EWR reconciliations in Case Nos. U-21562 and U-21676 and established new EWR surcharges in the reconciliation cases for Northern States Power Company and Michigan Gas Utilities Corporation. UMER's replies to exceptions, pp. 2-3. Regarding Tilden's concerns with access to year-end unspent funds data only being known by the EWR Program Administrator, UMER asserts that these concerns can be "addressed either by directing Staff to present the data in the reconciliations via a Staff-member with knowledge of the data or the Program Administrator, or through discovery." *Id.*, p. 3.

The Commission has reviewed the record and the parties' arguments and agrees in part with the ALJ's recommendation to require the EWR Program Administrator to use any of UMER's unspent EWR payment amounts that accrue to reduce the alternative compliance payments. *See*, PFD, p. 23. The Commission finds that available unspent funds of \$1.4 million were included in the budget used to develop the 2026-2027 plan as shown on page 3 of Exhibit S-1. The Commission directs the Staff to continue to audit annual reconciliations from the company and the EWR Program Administrator's annual expenditures to calculate any overspent or underspent funds. Unspent funds will be carried forward as required in MCL 460.1091(6) and used for expenditures the following year. At the time of the next two-year election by the company, the Commission directs the Staff to work with the Program Administrator to develop costs for that two-year election absent the use or availability of any unspent funds. The company can then apply the audited unspent funds to reduce the required alternative compliance payment for that next two-year election period. As such, the Commission finds the unspent funds available for 2025 were used in the development of the alternative compliance costs for 2026-2027 and adopts the Staff's recommendation that the EWR Program Administrator's unspent funds shall be used to offset the

program costs for the next two-year election, finding this consistent with MCL 460.1091(6) and the framework adopted in the February 27 order. The Commission also agrees with UMERB that a reconciliation should take place annually; however, in this instance, because the unspent funds were already included in the plan that developed alternative compliance payments for a two-year period, adjusting the alternative compliance payment to reflect unspent funds should happen after the conclusion of the two-year period.

4. Tilden Mining Company L.C.'s Motion to Strike and Appeal

On February 23, 2026, Tilden filed a motion to strike portions of the direct testimony, rebuttal testimony, and all of the exhibits of the Staff's witness Mr. Tiwana. The Staff filed a response to the motion on February 27, 2026. An evidentiary hearing was held before the ALJ on March 3, 2026, wherein the ALJ denied the motion, finding that:

[h]aving considered the motion, the response, and oral argument, and the supplemental authority presented, as well as the commission's past practice, and looking to [C]ase [No.] U-21686 in particular, I do find that Exhibit S[-]1 and the testimony regarding it is information relied upon by experts in EWR plan cases. I think with the understanding that [the Staff's witness] Mr. Tiwana is being presented as an expert means that he must be aware of the requirements of Act 295 as amended, and Act 229, for which he bases his opinion on. I think that the information in [Exhibit] S[-]1 is -- amounts to facts and data, and the report is being used and was prepared in the ordinary -- ordinary course of business, and Mr. Tiwana bases his opinion on the information within it. I think that the challenges that were articulated in briefing -- or in the motion and in oral argument today can be addressed in cross-examination, and quite frankly, in briefing as this case proceeds. I think that the [E]xhibit [S-1] though as presented is admissible under [Mich Admin Code, R 792.10427](1) and Michigan Rule of Evidence [MRE] 803(6) and will be given the weight it's due.

As such, Tilden's motion to strike is denied.

2 Tr 49.

The Commission's Rules of Practice and Procedure, Mich Admin Code, R 792.10433

(Rule 433) establishes the standards for appeals to the Commission from rulings of presiding officers. Specifically, Rule 433 requires, in relevant part, that:

(1) During the course of a proceeding, a party may appeal a ruling of the presiding officer by filing an application for leave to appeal the ruling to the commission. Unless otherwise provided by the presiding officer, the application shall be filed within 14 days after an oral ruling or service of a written ruling and any response shall be filed within 14 days after service of the application.

* * *

(5) The commission's failure to grant the application does not bar a party from asking the commission to consider the presiding officer's ruling on final disposition of the proceeding. A party's failure to file an application for leave to appeal does not constitute a waiver of the right to challenge any ruling of the presiding officer either in a brief or in exceptions to a proposal for decision.

No application for leave to appeal was filed under Rule 433(1).

In exceptions, however, Tilden requests that the Commission review the ALJ's ruling on its motion under Rule 433(5), arguing that the ALJ erroneously found that Exhibit S-1: (1) fell within the business records exception to the hearsay rule, (2) was the type of evidence commonly relied upon by the Commission in EWR cases, and (3) fell within the MRE 703, which permits an expert witness to base an opinion on facts or data that the expert witness has been made aware of or personally observed. Tilden's exceptions, pp. 6-11. Tilden also argues that:

the ALJ in her PFD was critical of arguments concerning the lack of information about the proposed EWR plan because "no party subpoenaed an Efficiency United representative to testify during the cross-examination". The ALJ's remark inappropriately shifts the burden of proof. It is the proponent of the proposed EWR plan who must demonstrate with permissible evidence that the plan is reasonable and prudent. It is not incumbent on another party to compel a qualified witness to appear to testify to remedy what is otherwise inadmissible hearsay. Again, there is no requirement under the Michigan Rules of Evidence that a party must issue a subpoena to compel a witness to testify before MRE 801 and MRE 802 apply.

Id., p. 12.

No replies to exceptions were filed on this issue.

The Commission has reviewed the record on this issue and finds the ALJ's ruling to deny Tilden's motion to be well-reasoned and supported by the record. *See*, 2 Tr 49. Therefore, the Commission denies Tilden's request and adopts the ALJ's findings and conclusion on this issue.

THEREFORE, IT IS ORDERED that:

A. Upper Michigan Energy Resources Corporation's amended application and provider notification of intent to elect Efficiency United to implement energy waste reduction service for 2026-2027 is approved, as described in this order.

B. The Alternative Compliance Payment Pricing Portfolio presented in this docket as Exhibit S-1 is approved.

C. Within 30 days of the date of this order, Upper Michigan Energy Resources Corporation shall file tariff sheets that are substantially similar to the tariff sheets presented in this case as Exhibits A-2 and A-4. After the tariff sheets have been reviewed and accepted by the Commission Staff for inclusion in the company's tariff books, Upper Michigan Energy Resources Corporation shall promptly file the final tariff sheets in this docket and serve all parties.

D. The Energy Waste Reduction Program Administrator Efficiency United shall use any of Upper Michigan Energy Resources Corporation's unspent energy waste reduction payment amounts that accrue in a year to reduce the alternative compliance payments for the next two-year election for program years 2028 and 2029.

E. Within six months of the date of this order, Upper Michigan Energy Resources Corporation shall file its next application and provider notification of intent to elect Efficiency United to implement energy waste reduction service or file its next application for self-implementation for 2028-2029.

F. Within 30 days of the date of this order, Upper Michigan Energy Resources Corporation shall reimburse Efficiency United for the difference in amount between the approved 2025 levels and the amount approved in this order.

G. Tilden Mining Company L.C.'s Motion to Strike and Appeal is denied for the reasons outlined in this order.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel.

Electronic notifications should be sent to the Executive Secretary at LARA-MPSC-Edockets@michigan.gov and to the Michigan Department of Attorney General - Public Service Division at sheacl@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

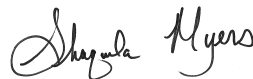
MICHIGAN PUBLIC SERVICE COMMISSION



Daniel C. Scripps, Chair



Katherine L. Peretick, Commissioner



Shaquila Myers, Commissioner

By its action of October 1, 2026.



Lisa Felice, Executive Secretary

PROOF OF SERVICE

STATE OF MICHIGAN)

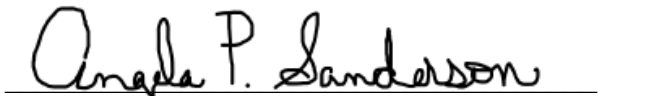
Case No. U-21685

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on October 1, 2026 A.D. she electronically notified the attached list of this **Commission Order via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).


Brianna Brown

Subscribed and sworn to before me
this 1st day of October 2026.


Angela P. Sanderson
Notary Public, Shiawassee County, Michigan
As acting in Eaton County
My Commission Expires: May 21, 2030

Service List for Case: U-21685

Name	On Behalf Of	Email Address
Anna B. Stirling	MPSC Staff	stirlinga1@michigan.gov
Daniel E. Sonneveldt	MPSC Staff	sonneveldtd@michigan.gov
Jennifer U. Heston	Tilden Mining Company, LC	jheston@potomacclaw.com
John G. Walker Mogen	Upper Michigan Energy Resources Corporation	mogen@millercanfield.com
Lesley C. Fairrow	ALJs - MPSC	fairrowl1@michigan.gov
Sherri A. Wellman	Upper Michigan Energy Resources Corporation	wellmans@millercanfield.com
Upper Michigan Energy Resources Corporation	Upper Michigan Energy Resources Corporation	colleen.sipiorski@wecenergygroup.com

GEMOTION DISTRIBUTION SERVICE LIST

kabraham@mpower.org	Abraham,Katie - MMEA
mkuchera@AEPENERGY.COM	AEP Energy
mfurmanski@algerdelta.com	Alger Delta Cooperative
akellen@wppienergy.org	Alger Delta Cooperative
kd@alpenapower.com	Alpena Power
dgreen@alpenapower.com	Alpena Power
VSTRetailReg@VistraCorp.com	Ambit Midwest, LLC
kerdmann@atcllc.com	American Transmission Company
acotter@atcllc.com	American Transmission Company
john.calhoun@ardentnaturalgas.com	Ardent Natural Gas, LLC
awebster@baycitymi.gov	Bay City Electric Light & Power
sara.anderson@bayfieldelectric.com	Bayfield Electric
rbishop@BISHOPENERGY.COM	Bishop Energy
braukerL@MICHIGAN.GOV	Brauker, Linda
cherie.fuller@bp.com	BP Energy Retail Company, LLC
christine.hughey@bp.com	BP Energy Retail Company LLC
greg.bass@calpinesolutions.com	Calpine Energy Solutions
lachappelle@varnumlaw.com	Chappelle, Laura
manderson@wpsci.com	Cherryland Electric
mengels@wpsci.com	Cherryland Electric
cdrys@wpsci.com	Cherryland Electric
ljohnson@wpsci.com	Cherryland Electric
rjohnson@cherrylandelectric.coop	Cherryland Electric Cooperative
frucheyb@DTEENERGY.COM	Citizens Gas Fuel Company
crystalfallsmgr@HOTMAIL.COM	City of Crystal Falls
gpirkola@escanaba.org	City of Escanaba
jolson@gladstonemi.gov	City of Gladstone
kmaynard@cityofmarshall.com	City of Marshall
tdavlin@portland-michigan.org	City of Portland
cwilson@cloverland.com	Cloverland Electric
mheise@cloverland.com	Cloverland Electric
todd.mortimer@CMSENERGY.COM	CMS Energy
Kenneth.Johnston@cmsenergy.com	Consumers Energy
Yong.Keyes@cmsenergy.com	Consumers Energy
chibuzo.obikwelu@cmsenergy.com	Consumers Energy
sarah.jorgensen@cmsenergy.com	Consumers Energy Company
Michael.torrey@cmsenergy.com	Consumers Energy Company
CANDACE.GONZALES@cmsenergy.com	Consumers Energy Company
mpsc.filings@CMSENERGY.COM	Consumers Energy Company
mpsc.filings@CMSENERGY.COM	Consumers Energy Company
david.fein@CONSTELLATION.COM	Constellation Energy
kate.stanley@CONSTELLATION.COM	Constellation Energy
kate.fleche@CONSTELLATION.COM	Constellation New Energy

GEMOTION DISTRIBUTION SERVICE LIST

choicecompliance@constellation.com
lpage@dickinsonwright.com
shaundillon@dillonenergy.com
info@dillonpower.com
Neal.fitch@nrg.com
Kara.briggs@nrg.com
Ryan.harwell@nrg.com
bryce.mckenney@nrg.com
stephen.lindeman@dteenergy.com
karl.lievense@dteenergy.com
konstantin.korolyov@dteenergy.com
mpscfilings@DTEENERGY.COM
joyce.leslie@dteenergy.com
karen.vucinaj@dteenergy.com
customerservice@eligoenergy.com
regulatory@eligoenergy.com
frank.travaglione@vistracorp.com
rfawaz@energyintl.com
sejackinchuk@varnumlaw.com
michael.reiss@engie.com
customercare@plymouthenergy.com
VSTRetailReg@VistraCorp.com
felice@MICHIGAN.GOV
bgorman@FIRSTENERGYCORP.COM
phil@allendaleheating.com
dburks@glenergy.com
manderson@wpsci.com
mengels@wpsci.com
cdrys@wpsci.com
ljohnson@wpsci.com
slamp@glenergy.com
sculver@glenergy.com
johnm@gogreenlightenergy.com
lrgustafson@CMSENERGY.COM
jhammel@hillsdalebpu.com
coneill@homeworks.org
psimmer@HOMEWORKS.ORG
bmcbride@aep.com
mgobrien@aep.com
dan@megautilities.org
daustin@IGSENERGY.COM
michael.nugent@igs.com
general@itctransco.com
cmarshall@itctransco.com
apascaris@itctransco.com

Constellation New Energy Inc
Dickinson Wright
Dillon Energy Services
Dillon Power, LLC
Direct Energy
Direct Energy
Direct Energy
Direct Energy
DTE Energy
DTE Energy
DTE Energy
DTE Energy
DTE Energy
DTE Energy
Eligo Energy MI, LLC
Eligo Energy MI, LLC
Energy Harbor
Energy International Power Marketing d/b/a PowerOne
Energy Michigan
Engie Gas & Power LLC
ENGIE Gas & Power f/k/a Plymouth Energy
Everyday Energy, LLC d/b/a Energy Rewards
Felice, Lisa
First Energy
Forner, Phil
Great Lakes Energy
Great Lakes Energy
Great Lakes Energy
Great Lakes Energy
Great Lakes Energy
Great Lakes Energy Cooperative
Great Lakes Energy Cooperative
Greenlight Energy Inc.
Gustafson, Lisa
Hillsdale Board of Public Utilities
HomeWorks Tri-County Electric Cooperative
HomeWorks Tri-County Electric Cooperative
Indiana Michigan Power
Indiana Michigan Power Company
Integrus Group
Interstate Gas Supply Inc
Interstate Gas Supply d/b/a IGS Energy
ITC Holdings
ITC Holdings
ITC Holdings

GEMOTION DISTRIBUTION SERVICE LIST

vanesetti@justenergy.com	Just Energy of Michigan Corporation
igoodman@commerceenergy.com	Just Energy Solutions
krichel@DLIB.INFO	Krichel, Thomas
dbodine@LIBERTYPOWERCORP.COM	Liberty Power
ham557@GMAIL.COM	Lowell S.
tjlundgren@varnumlaw.com	Lundgren, Timothy
tcarpenter@mblp.org	Marquette Board of Light & Power
regulatory@medianenergy.com	Median Energy Corporation
suzy@megautilities.org	MEGA
dan@megautilities.org	MEGA
mmann@USGANDE.COM	Michigan Gas & Electric
VSTRetailReg@VistraCorp.com	Michigan Gas & Electric (US Gas & Electric)
shannon.burzycki@wecenergygroup.com	Michigan Gas Utilities Corporation
mrzwiwers@INTEGRYSGROUP.COM	Michigan Gas Utilities/Upper Penn Power/Wisconsin
kabraham@mpower.org	Michigan Public Power Agency
info@michigannaturalgasllc.com	Michigan Natural Gas, LLC
JHDillavou@midamericanenergyservices.com	MidAmerican Energy Services, LLC
JCAltmayer@midamericanenergyservices.com	MidAmerican Energy Services, LLC
LMLann@midamericanenergyservices.com	MidAmerican Energy Services, LLC
manderson@wpsci.com	Midwest Energy
mengels@wpsci.com	Midwest Energy
cdrys@wpsci.com	Midwest Energy
ljohnson@wpsci.com	Midwest Energy
dave.allen@TEAMMIDWEST.COM	Midwest Energy Cooperative
terry.rubenthaler@teammidwest.com	Midwest Energy Cooperative
kerri.wade@teammidwest.com	Midwest Energy Cooperative
Marie-Rose.Gatete@teammidwest.com	Midwest Energy Cooperative
meghan.tarver@teammidwest.com	Midwest Energy Cooperative
d.motley@COMCAST.NET	Motley, Doug
rarchiba@FOSTEROIL.COM	My Choice Energy
customerservice@nordicenergy-us.com	Nordic Energy Services, LLC
regulatory@nordicenergy-us.com	Nordic Energy Services, LLC
karl.j.hoesly@xcelenergy.com	Northern States Power
sarah.m.frazee@xcelenergy.com	Northern States Xcel
kbeattie@ntherm.com	nTherm, LLC
daho@ontorea.com	Ontonagon County Rural
esoumis@ontorea.com	Ontonagon County Rural Electric
regulatory@indraenergy.com	PALMco Energy MI, LLC d/b/a Indra Energy
mpauley@GRANGER.NET	Pauley, Marc
mmpeck@fischerfranklin.com	Peck, Matthew
bschlansker@PREMIERENERGYLLC.COM	Premier Energy Marketing LLC
manderson@wpsci.com	Presque Isle

GEMOTION DISTRIBUTION SERVICE LIST

mengels@wpsci.com
cdrys@wpsci.com
ljohnson@wpsci.com
MVanschoten@pieg.com
aberg@pieg.com
yesterdae@getprovision.com
johnbistranin@realgy.com
BusinessOffice@REALGY.COM
akeilson@genieretail.com
btrombino@rpaenergy.com
mvorabout@ses4energy.com
rabaey@SES4ENERGY.COM
ttynes@ses4energy.com
trish.mcfadin@southstarenergy.com
kejoseph@sparkenergy.com
cborr@WPSCI.COM

jbelec@stephenson-mi.org
kay8643990@YAHOO.COM
legal@symmetryenergy.com
regulatory@texasretailenergy.com
agilbert@cleanskyenergy.com
bessenmacher@tecmi.coop
president@tomorrowenergy.com
manderson@wpsci.com
mengels@wpsci.com
cdrys@wpsci.com
ljohnson@wpsci.com
mlindsay@uetllc.com
colleen.sipiorski@wecenergygroup.com
djmier@integrysgruop.com
James.Beyer@wecenergygroup.com
Richard.Stasik@wecenergygroup.com
nbell@upppo.com
jformol@upppo.com
ghaehnel@upppo.com
estocking@upppo.com
manager@villageofbaraga.org
Villagemanager@villageofclinton.org
VSTRetailReg@VistraCorp.com
jeinstein@volunteerenergy.com
leew@WVPA.COM
melissa.schauer@wecenergygroup.com
andrew.miller1@wecenergygroup.com
melissa.schauer@wecenergygroup.com

Presque Isle
 Presque Isle
 Presque Isle
 Presque Isle Electric & Gas Cooperative, INC
 Presque Isle Electric & Gas Cooperative, INC
 Provision Power & Gas, LLC
 Realgy Corp.
 Realgy Energy Services
 Residents Energy LLC
 RPA Energy d/b/a Green Choice Energy
 Santana Energy
 Santana Energy
 Santanna Natural Gas Corporation
 SouthStar d/b/a Grand Rapids Energy
 Spark Energy Gas, LP
 Spartan Renewable Energy, Inc. (Wolverine Power Marketing Corp)
 Stephenson Utilities Department
 Superior Energy Company
 Symmetry Energy Solutions, LLC
 Texas Retail Energy, LLC
 Tital Gas, LLC d/b/a CleanSkyEnergy
 Thumb Electric Cooperative
 Tomorrow Energy Corporation
 Tri-County Electric
 Tri-County Electric
 Tri-County Electric
 Tri-County Electric
 United Energy Trading d/b/a Kratos Gas & Power
 Upper Michigan Energy Resources Corporation
 Upper Michigan Energy Resources Corporation
 Upper Michigan Energy Resources Corporation
 Upper Michigan Energy Resources Corporation
 Upper Peninsula Power Company
 Upper Peninsula Power Company
 Upper Peninsula Power Company
 Upper Peninsula Power Company
 Village of Baraga
 Village of Clinton
 Viridian Energy PA, LLC
 Volunteer Energy Services
 Wabash Valley Power
 We Energies
 We Energies
 Wisconsin Public Service

GEMOTION DISTRIBUTION SERVICE LIST

andrew.miller1@wecenergygroup.com

tking@WPSCI.COM

jbaumann@wpsci.com

cborr@wpsci.com

ddecouer@wpsci.com

bvalice@wpsci.com

Amanda@misostates.org

Deborah.e.erwin@xcelenergy.com

Michelle.Schlosser@xcelenergy.com

bryce.mckenney@nrg.com

Wisconsin Public Service

Wolverine Power

Wolverine Power

Wolverine Power

Wolverine Power

Wolverine Power

Wood, Amanda

Xcel Energy

Xcel Energy

Xoom Energy Michigan, LLC d/b/a Xoom Energy